

5/049/044

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State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

November 12, 2004

L. Joe Boyer
Shaw Environmental, Incorporated
8501 North Mopac Expressway, Suite 320
Austin, Texas 78759

Tom Mathison
Shaw Environmental, Incorporated
2790 Mossie Boulevard
Monroeville, Pennsylvania 15146

Subject: Approval of Transfer of Notice of Intention, Small Mining Operations, from Atlantic Richfield Company, Lime Peak Quarry (S/049/044) and Lime Peak Processing and Stockpile Area (S/049/045), and from Anderson Engineering Company, Inc., Garrison Quarry (S/049/046), to Shaw Environmental, Inc., Utah County, Utah

Dear Mr. Boyer and Mr. Mathison:

On October 19, 2004, we received three completed Transfers of Notice of Intention of Small Mining Operations to transfer the above mentioned small mining projects located in Utah County, Utah from Atlantic Richfield Company and Anderson Engineering Company, Inc. to Shaw Environmental, Inc.

These three projects will all be transferred into Shaw Environmental, Inc.'s Homansville Stockpile and Processing site (file number S/049/047). Due to the proximity of these operations with each other, they will be considered one operation. The total disturbed area for all four sites combined is now at 20 acres, which constitutes a large mine status. The file number will be changed from S/049/047 to **M/049/047**, and the file name changed from Homansville Processing and Stockpile Area to **Lime Peak Quarries**.

Along with the transfer forms was the required Reclamation Contract and a \$51,000 Certificate of Deposit issued by Union Planters Bank. Shaw Environmental, Inc. has previously posted a \$17,000 Certificate of Deposit for their Homansville Processing and Stockpile Area; therefore, a total of \$68,000 surety is posted for the total combined site.

On November 1, 2004, the Acting Director signed and executed the three transfer documents, *which effectively transfers the responsibility of the mining operations and reclamation to Shaw Environmental, Inc.* Copies of the executed transfer forms are

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enclosed for your files. You are now the official party responsible for all mining and reclamation obligations for this project.

The Acting Division Director signed and executed the Reclamation Contract and the \$51,000 CD on November 10, 2004. A copy of the Reclamation Contract, and the two CD's are enclosed for your records.

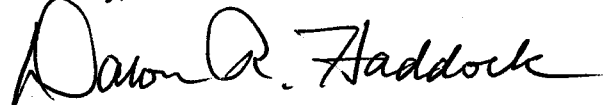
The Division hereby officially releases Atlantic Richfield and Anderson Engineering from any further reclamation responsibilities at their respective sites.

Shaw Environmental is allowed to continue mining in the 20 acre area as identified under each approved small mine permit. However, because the total project is now approved for 20 acres, it is necessary that Shaw Environmental submit a Notice of Intention to Conduct Large Mining Operations (LMO) to cover the entire 20 acres of disturbance. A copy of the LMO form is enclosed for your use. **Please submit an adequately complete LMO application w/in 120 days (by March 10, 2005).** A permit fee will not be required to be submitted with the large mining application, as the permit fees have already been paid for each of the small mine notices. Of course, this is an annual fee and a \$500.00 permit fee will again be required at the beginning of the next fiscal year (July 2005). A billing statement will be sent for the next years permit fees.

Before final approval can be granted for the LMO, the Division will need to publish in the local newspapers and allow for a 30-day public comment period. If no adverse comments are received, then final approval could be granted. The current \$68,000 surety may need to be adjusted either up or down as necessary, based on the site specific reclamation plan.

Thank you for your help in finalizing these transactions. If you have any questions or concerns regarding this letter, please contact me at (801) 538-5325. Best of luck with your new mining venture.

Sincerely,



Daron R. Haddock
Permit Supervisor
Minerals Regulatory Program

DRH:LK:jb
Enclosure: Copies (3) Executed Transfer forms, Reclamation Contact & two CD's
Form MR-LMO
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